

NOTICE OF PUBLIC HEARING

TO: Stuart Marckoon, a resident of the Town of Lamoine: In the name of the State of Maine you are hereby required to notify the voters of the Town of Lamoine of the Public Hearing described in this Notice of Public Hearing.

TO: The voters of the Town of Lamoine:

Take notice that a public hearing will be held on January 10, 2007 at 7:00 p.m. at the Lamoine Consolidated School, 53 Lamoine Beach Road in Lamoine on the following articles which will be the subject of a referendum vote on January 23, 2007.

Article 2: Shall the Town of Lamoine authorize the Board of Selectmen to issue bonds and other evidences of indebtedness in the name of this Town in an amount not to exceed \$652,300, which bonds may be made callable with or without premium, through the State of Maine's zero interest rate/loan forgiveness Revolving Renovation Fund Program to pay costs to renovate and repair Lamoine Consolidated School, including the roof and the HVAC, electrical and plumbing systems?

- A. State Grant Funding. The State of Maine will provide a direct grant by forgiving 30% (up to \$195,690) of the principal payments on the project loans.
- B. Interest Free Loans. The Town will be obligated to repay 70% (up to \$456,610) of the total loan amount over a 10 year term. The State of Maine has agreed to lend these funds and to permit repayment at zero interest over a term of 10 years.

Board of Selectmen Recommends a "YES" vote on Article 2.
School Committee Recommends a "YES" vote on Article 2.
See Treasurer's Financial Statement below.

Article 3: Shall the Town of Lamoine authorize the Board of Selectmen to issue bonds or notes in the name of this Town in an amount not to exceed \$2,940,000, which bonds or notes may be made callable with or without premium, to pay costs to construct and equip an addition and renovations to the Lamoine Consolidated School?

Board of Selectmen Recommends a "YES" vote on Article 3.
School Committee Recommends a "YES" vote on Article 3.

Treasurer's Financial Statement for Articles 2 and 3
Town of Lamoine, Maine

1. Total Town Indebtedness

A. Bond principal outstanding and unpaid	\$ 75,000.00
B. Bonds authorized and not yet issued	\$ 0.00
C. Bonds to be issued if Article 2 is approved	\$ 456,610.00
D. Bonds to be issued if Article 3 is approved	\$2,940,000.00

2. Costs of Proposed Article 2 Debt Service

The bonds proposed under Article 2 would be issued through the State of Maine School Revolving Renovation Fund Program at zero interest. At an interest rate of zero percent, the estimated cost of these bonds over a 10 year term is as follows:

Principal	\$456,610.00
Interest	<u>\$ 0.00</u>
Total Estimated Debt Service if Article 2 is Approved	\$456,610.00

3. Costs of Proposed Article 3 Debt Service

The bonds proposed under Article 3 would be issued at market rates of interest. At an estimated interest rate of 4.75 %, the estimated cost of these bonds over a 20 year term is as follows:

Principal	\$2,940,000.00
Interest	<u>\$1,534,827.00</u>
Total Estimated Debt Service if Article 3 is Approved	\$4,474,827.00

The interest costs may vary depending upon the term, interest rates and other details of these securities.

4. Validity

The validity of the bonds and of the voters' ratification of the bonds may not be affected by any errors in the above estimates. If the actual amount of the total debt service for the bond issues varies from the estimate, the ratification by the electors is nevertheless conclusive and the validity of the bond issues are not affected by reason of the variance.

/s/ Stuart Marckoon, Town Treasurer

Signed and dated at the Town of Lamoine, December 7, 2006.

/s/ Cynthia Donaldson

/s/ S. Josephine Cooper

/s/ Perry Fowler

/s/ Brett Jones

Majority of Municipal Officers
of the Town of Lamoine

This is not an official copy of the public hearing notice. The original is on file at the Lamoine Town Clerk's Office